

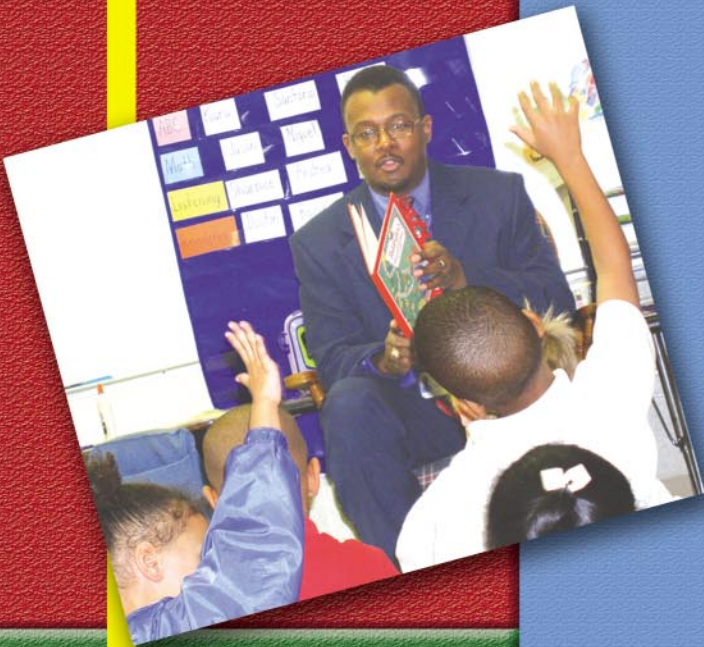
Arkansas Employment Security Department

2002
Annual Report



Arkansas
Employment
Security
Department

"AN EQUAL OPPORTUNITY EMPLOYER"



From The Director



Ed Rolle
Director



WELCOME! — The Arkansas Employment Security Department sign as well as the American and Arkansas flags welcome visitors to the Central Office in North Little Rock. Staff moved the Central Office from #2 Capitol Mall in Little Rock to #1 Pershing Circle in North Little Rock in April 2001 while the building is being renovated.

The Arkansas Employment Security Department's vision to be the premier provider of employment services has grown with each passing year. New technology has made our tasks more efficient, our staff continues to train, and the citizens of the state are expecting that we, as an agency, will continue to evolve.

Based on the agency's many accomplishments in 2002, however, we have made great progress, and more citizens of Arkansas are turning to us for services. We let our many accomplishments speak for themselves.

The agency received two grants from the U.S. Department of Labor for automation projects totaling more than \$835,000. One grant will go toward

upgrading the Internet Employer Tax and Wage Reporting System, where employers file and report their quarterly taxes. This grant money will develop automated interfaces between the agency's mainframe system and the Internet system employers use.

The other grant will be used to develop the Employer Online Registration System that will allow a new business to complete a Status Report form online. This will instantly give the employer his tax rate and account number, saving time and money for both him and the agency. AESD is excited about these projects as we take another step toward improving e-government services.

Also during 2002, AESD's new Intranet claims processing system was introduced to all of our local offices. This is new technology for the agency, as it replaces the mainframe-based system and is the predecessor to the Internet application that will allow self-service claim filing directly by claimants. It pro-

vides new features, including a mass-lay-off function, and is user-friendly.

Implementing the Temporary Extended Unemployment Compensation Act of 2002, which became law on March 9, was another great accomplishment. In less than a week, agency staff began mailing notices to about 48,000 people who met the criteria for extended benefits.

These are just a few of the things the agency accomplished during 2002. The rest of this annual report, which is based on calendar year 2002 (January 1 to December 31, 2002), highlights others. For a more detailed report, go to our Web site at www.accessarkansas.org/esd.

All of these successes would not be possible without dedicated, hard-working employees who continue to strive toward excellence. You can see them each day, doing their best to make sure the needs of the citizens of this state are met. Stop by and let one of them help you!

Workforce Development System

The Workforce Investment Act of 1998 created a comprehensive workforce investment system designed to help Americans access the tools they need to manage their careers and to help U.S. companies find skilled workers through a one-stop delivery system.

In Arkansas, the one-stop system has been implemented by establishing one-stop centers known as Arkansas Workforce Centers. Each workforce center is a partnership of agencies where veterans, adults, youth, and dislocated workers may receive skills assessment services, information on employment and training opportunities, information on filing unemployment insurance claims, job search and placement assistance, and up-to-date information on job vacancies. One of the required one-stop partners is the Arkansas Employment Security Department's Employment

Service. Employment Service provides public labor exchange services to assist job seekers in finding jobs and employers in finding qualified workers as required by the federal Wagner-Peyser Act.

In recent years, the method of providing public labor exchange services has changed from providing one-on-one services to "tiered" services. These include Internet/self-service, group services, and one-on-one services. AESD provides resources to accomplish the three-tiered labor exchange service strategy in the workforce centers, including self-service, facilitated self-service, and staff-assisted service.

In addition, WIA Title I formula funds are allocated to each of the 10 Local Workforce Investment Areas in Arkansas. These funds are used to provide "tiered" services, including Core, Intensive, and Training services through the one-stop delivery system. The accompanying tables provide information on various Employment Service activities and WIA participation data on individuals served, employed, and exited for calendar years 2001 and 2002.

At the workforce centers, self-service for job seekers is available on the Internet via Arkansas' Job Bank and Arkansas' Talent Bank, which allow self-directed job search and the submittal of online résumés, respectively. Self-service for employers is also available via the AJB and the ATB, where employers may self-enter job openings and review résumés. Workforce center staff provide help-as-needed to ensure that job seekers can access AJB and ATB at self-service personal computers, as well as other Internet job search options.

Labor market information is available to assist customers with making career choices that involve training or education. Other software is available to allow résumé preparation, learning word processing

Employment Services

	<u>2001</u>	<u>2002</u>
New Applicants & Renewals	188,313	193,373
Referral to Supportive Services	34,186	36,939
Referral to Employment	96,125	99,413
Entered Employment	31,814	31,382
Assessment Interview	8,538	4,223
Tested	970	654
Referred to Educational Services	1,740	2,130
Job Search Workshop	1,596	1,499
Résumé Preparation	6,360	4,074
Specific Labor Market Information	135,716	115,478
Job Service Automated Labor Exchange	5,623	7,213
Vocational Guidance	3,299	2,954
Job Orders Received	23,298	19,581
Job Openings Received	65,847	52,884
Job Openings Filled	32,696	24,654

skills, increasing personal computer literacy, and access to telephone and fax for contacting prospective employers.

For job-seeking customers who want staff assistance, workforce center staff enter employment applications into the online Employment Service operation/reporting system where they can be matched by staff with online job orders. Staff-assisted service also includes direct job referral, job development, referral to supportive services, provision of specific labor market information, and referral to educational institutions. Staff-assisted service to employers is available in the form of job order preparation and entry into AJB. Staff also screen and refer job applicants according to the specifications of each job order.

WIA Participation (Statewide Results)

Employed

	<u>2001</u>	<u>2002</u>
Adult:	298	496
Dislocated Worker:	255	179
Older Youth:	50	49

(This chart shows the number of WIA participants who exited the program during the 2001 and 2002 calendar years and who were employed by the first quarter after their exit.)

Served

	<u>2001</u>	<u>2002</u>
Adult:	3,792	3,909
Dislocated Worker:	1,914	1,784
Older Youth:	730	664
Younger Youth:	2,604	2,779

(This chart shows the number of WIA participants who were served during the 2001 and 2002 calendar years.)

Exiters

	<u>2001</u>	<u>2002</u>
Adult:	688	968
Dislocated Worker:	426	328
Older Youth:	210	126
Younger Youth:	476	523

(This chart shows the number of WIA participants who left the program during the 2001 and 2002 calendar years.)



Virgie Dobbins, an Interviewer II, looks at a job order screen at her office at the Arkansas Workforce Center at Little Rock. Dobbins works for the Arkansas Employment Security Department and takes job orders from employers and helps the unemployed find jobs.

Employment Assistance

The Office of Employment Assistance includes the Workforce Development Unit, Employment Services Technical Unit, Alien Labor Certification Unit, and Dislocated Worker/Trade Adjustment Assistance Unit.

The Workforce Development Unit is responsible for the Workforce Investment Act, including national emergency programs (large layoffs or closures and disaster assistance), and Welfare-to-Work programs.

The unit monitors programs for compliance with the WIA and WtW Act and regulations. It also provides technical assistance, training, program, and policy guidance to local Workforce Investment Areas.



Idell Moseley is the program operations manager for the Workforce Development Unit.



L.C. Qualls is the program operations manager for the Employment Services Technical Unit.

The Dislocated Worker/Trade Adjustment Assistance Unit receives and processes the Worker Adjustment and Retraining Notification Act notices. The unit conducts Rapid Response activities for the Governor's Dislocated Worker Task Force for business closures and layoffs. It also oversees, plans, and coordinates all activities associated with the state's responsibility in administering the Trade Act of 1974, as amended. This includes approving requests for benefits, payment of invoices, and providing training and technical assistance statewide.



Billy Vanlandingham is the acting program operations manager for the Dislocated Worker/Trade Adjustment Assistance Unit.



David Hayes is the program operations manager for the Alien Labor Certification Unit.

The Alien Labor Certification Unit provides services to attorneys, employers, and aliens for any job to be performed in Arkansas. The unit processes the labor certification application that is filed by the employer on behalf of the alien who wishes to gain labor certification from the U.S. Department of Labor. Applications are prepared and turned over to the Department of Labor for a decision.

Prior to submitting the applications to the Department of Labor, the employer is required to recruit U.S. workers through sources such as newspapers, professional journals, internal postings, job fairs, and colleges and universities. Among other duties as AESD's program operations manager for the Alien Labor Certification Unit, David Hayes advises employers of sources to use to advertise job offers.

Labor Market Information

The Labor Market Information (LMI) section is responsible for gathering and analyzing data that is used to describe a local area's economic picture. Labor market information is the activity of collecting, analyzing, and reporting on labor supply and demand relationships within an area. The LMI section produces specialized products and services for private businesses, educational and governmental entities, and private citizens within Arkansas. The LMI section is comprised of two independent units: the Occupational Career Information and the Bureau of Labor Statistics Units.

Occupational Career Information Unit — This unit develops, produces, and disseminates statistics and information that include long-term and short-term state and local industrial and occupational employment projections, occupational career orientation products, America's Labor Market Information System, the Workforce Investment Act Eligible Training Provider Certification Program, a yearly occupational and wage survey, staffing patterns, a Career Inventory Delivery System (called ArkOSCAR), and the Estimates Delivery System. A major focus of the unit is to provide information to assist individuals in identifying and preparing for careers.

1. State and Local Occupational and Industry Projections. These projections consist of two programs: short-term and long-term. The long-term projections are produced as a 10-year forecast of both occupations and industries. They are updated biennially. The short-term projections program is similar to the long-term and produces a two-year forecast instead of 10-year for occupations and industries. It is updated annually.

2. Occupational Career Orientation. This program consists of the development and use of career information publications that include workshop presentations on new and innovative career tools. Examples include the *Career Watch Magazine*, *Directory of Licensed Occupations*, *The Future Awaits*, U.S. Department of Labor career video library series, and the Career Inventory Delivery System known as ArkOSCAR.

3. America's Labor Market Information System. A U.S. Department of Labor initiative, this is a database structure for the storage, maintenance and dissemination of labor market, economic, and demographic information. Arkansas' version ("Discover Arkansas") disseminates Arkansas data through the Arkansas Employment Security Department's Web site.

4. WIA Eligible Training Provider Program. Known as the Arkansas Consumer Reporting System (ACRS), this program contains a list of all training providers in the state and contains the seamless automated system for Eligible Training Providers to become certified under the Workforce Investment Act. The system takes into consideration the occupations that are most likely to offer enough opportunities for employment to make training worthwhile.

5. Occupational Employment Statistics. Funded by the U.S. Bureau of Labor Statistics, AESD employees conduct a biyearly survey that provides occupational employment and wage estimates for the state and its Metropolitan Statistical Areas. Through this program, AESD is able to determine estimated mean and median



Delores Hall is a research analyst in the Arkansas Employment Security Department's Occupational Career Information Unit.

hourly and annual wages for the occupations found within the state.

6. Estimates Delivery System. EDS is a program utilizing the OES wage survey data to produce customized occupational and wage information for a specific area, as defined by the customer.

Bureau of Labor Statistics Unit (BLS) — This unit is responsible for the assemblage and conveyance of information under a cooperative agreement with the U.S. Department of Labor, Bureau of Labor Statistics. Its work also includes preparing and publishing monthly newsletters and reports. The BLS Unit is responsible for four program areas: Local Area Unemployment Statistics, Current Employment Statistics (CES), Covered Employment and Wages (ES-202), and the Mass Layoff Statistics (MLS) Program.

1. Local Area Unemployment Statistics (LAUS). The LAUS program provides monthly estimates of labor force, employment, and unemployment rates for the state, metropolitan areas, and other areas. The LAUS program uses data from the Current Population Survey, administrative data from the unemployment insurance system, and employment estimates from the BLS Current Employment Statistics program and Covered Employment and Wages (ES-202) report.

2. Current Employment Statistics. The CES program is a monthly payroll survey of business establishments. CES provides current estimates of employment, hours worked, and earnings.

3. Covered Employment and Wages (ES-202). The ES-202 program provides data on monthly employment, total quarterly wages, taxable wages, and employer contributions. Since 1972, BLS has shared ES-202 data with the Bureau of Economic Analysis. On a quarterly basis, the BEA uses ES-202 data to develop county, state, regional, and national personal income estimates, a component of the Gross Domestic Product, and to conduct related statistical research and analysis.

4. Mass Layoff Statistics. The MLS program is a standardized, automated approach to identifying, describing, and tracking the impact of major permanent job cutbacks. The data collected in this program provide detailed information on these cutbacks and the resultant unemployment registered at the state and area levels. This system generates a summary report for monthly submittal and a more comprehensive report for quarterly submittal.

Local Area Unemployment Statistics Program (LAUS)

The Local Area Unemployment Statistics Program is a federal-state cooperative effort in which monthly estimates of total employment and unemployment are prepared for approximately 6,800 areas:

- Census regions and divisions.
- States.
- Metropolitan Statistical Areas.
- Nonmetropolitan labor market areas.
- Counties and county equivalents.
- Cities of 25,000 population or more.
- Cities and towns in New England regardless of population.

These estimates are key indicators of local economic conditions. The Bureau of Labor Statistics (BLS) of the U.S. Department of Labor is responsible for the concepts, definitions, technical procedures, validation, and publication of the estimates that state employment security agencies prepare under agreement with BLS. A wide variety of customers use these estimates.

Federal programs use the data for allocations to states and areas, as well as eligibility determinations for assistance.

State and local governments use the estimates for planning and budgetary purposes and to determine the need for local employment and training services.

Private industry, researchers, the media, and other individuals use the data to assess localized labor market developments and make comparisons across areas.

The concepts and definitions underlying LAUS data come from the Current Population Survey (CPS). This household survey is the official measure of the labor force for the nation. Annual average data for all states, the District of Columbia, New York City, and the Los Angeles-Long Beach metropolitan area are derived directly from the CPS. Monthly estimates for these areas are produced using estimating equations based on regression techniques. These models combine current and historical data from the CPS, the Current Employment Statistics (CES) Program, and state unemployment insurance systems.

Estimates for substate labor market areas are produced through a building-block approach known as the "Handbook Method." This procedure also uses data from several sources, including the CPS, the CES program, state unemployment insurance systems, and the decennial census to create estimates that are adjusted to the statewide measures of employment and unemployment. Below the labor market area level, estimates are prepared using disaggregation techniques based on inputs from the decennial census, annual population estimates, and current UI data.



Bernadette Coleman is a research analyst in the Arkansas Employment Security Department's Bureau of Labor Statistics Program.